



September 26, 2005

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(202) 720-5136

FPB.DocketClerk@usda.gov

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Fresh Products Branch
Fruit & Vegetable Programs
Agricultural Marketing Service
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Room 0640-S
Washington, DC 20250-0295

Re: Revision of Fees for the Fresh Fruit and Vegetable Terminal Market Inspection Services
Docket #FV-04-310

The North American Perishable Agricultural Receivers (NAPAR) is a national trade association located in Washington, DC, representing independent produce wholesale receivers. NAPAR members are predominantly small businesses with combined annual sales in excess of \$4 billion. NAPAR formed an operating alliance with the Food Marketing Institute in 1999, enabling it to function independently while expanding the services to its members.

On behalf of our members, I appreciate the opportunity to submit comments to USDA on the revision of fees for the Fresh Fruit and Vegetable Terminal Market Inspection Service. NAPAR surveyed members on the probable impact this rate increase would have on their business operations and they conclude that a 15 percent increase seems excessive, particularly compared to fees for similar inspections in neighboring Canada.

Canadian Fees

Members having done business in Canada recently report having paid considerably less for comparable inspections and are having difficult justifying a 15% increase for U.S. fees at this time. For example:

- A Canadian condition only inspection, on 7/22/05, for a load of 181 packages, amounted to \$72 Canadian. As similar inspection in the U.S. would have cost \$76 U.S. A funds conversion from Canadian to U.S. at the time would have revealed an even greater price gap, considering Canadian funds have been valued at roughly 60% of U. S. funds.

U.S. Inspections of Mixed Loads

Our members experience occasions in which U.S. condition only inspections of mixed loads end up costing far more than the published inspection fees. For example: One member was charged \$339.00, on 9/23/05, for a condition only inspection of a load involving 160 cartons that took the inspector less than one hour to complete. This seems excessive, when the fee would normally be \$83.00.

FEIRS Inspection Reports

The Fresh Products Branch (FPB) began developing in 2001, with appropriated funds, the Fresh Electronic Inspection Reporting/Resource System (FEIRS) to replace its manual paper and pen inspection reporting process. Having been implemented in 2004, FEIRS was intended to enhance and streamline FPB's fruit and vegetable inspection process, but a problem occurred with the inspection reports as they were printed. The background pattern printed on the paper, seemingly intended to thwart unauthorized alterations, was rendering copies difficult to read and largely unreadable when faxed.

This problem has been somewhat corrected, but it does persist in some locations. Fax machines have difficulty separating the background pattern from the text of the report. This causes an excessive blackening throughout much of the report at the receiving end of a fax transmission. Faxing is a common practice among produce trading partners and inspection reports must be clearly readable by both parties, even after being faxed.

We feel strongly that an appropriate amount of any additional revenues collected through increased fees should be directed to improving the usability and fax-ability of the FEIRS inspection reports.

Extension

Several of our members would also like to file comments, but with the comment period being limited to only 30 days and with the notice arriving at a time when many of them were on vacation, this is proving to be unmanageable. We, therefore, request that AMS extend the comment period by an additional two weeks.

I hope these insights are helpful. Please feel free to contact me directly if NAPAR can provide further assistance on this matter.

Sincerely,



Patrick A. Davis
President